

West Virginia Pharmaceutical Cost Management Council

Public Hearing

August 24, 2004 at 6:00 p.m.

Raleigh County Armory

Beckley, West Virginia

Members Present:

Shana Phares, Chair
Robin Perdue, Co-Chair
Kevin Outterson
Keith Huffman
Peggy King
Ann Stottlemeyer
Felice Joseph
Dr. Wayne Spiggle
Nancy Atkins
Leah Summers
Phil Shimer

Absent:

Stephen Neal
Charles L. Burdette

Shana Phares called the meeting to order and welcomed all those attending. She introduced Dr. Wayne Spiggle who gave a brief overview of his earlier presentation to Select Committee C - Pharmaceutical Availability and Affordability, which was held during legislative interims at Glade Springs.

Ms. Phares then turned the meeting over to Philip Reale who is a Government Relations Consultant representing the Pharmaceutical Research and Manufacturers of America (PhRMA). Mr. Reale stated that RxforWV would have a three-part program that includes Brian Brown talking about how the RxforWV website works and George Manahan, who would elaborate on the number of people assessed through the call center or via internet as well as provide testimonials of folks who've used the system and found it very helpful. Mr. Reale explained that RxforWV is a prescription drug clearinghouse for West Virginia, which House Bill 4084, the Pharmaceutical Availability and Affordability Act of 2004, required them to develop.

Mr. Reale then introduced Brian Brown of Brown Communications who explained that RxforWV is a tool to help quickly and easily determine if you qualify for free or discounted drugs. The website offers over 250 programs and 1,200 medicines. It is not a single discount card, but a repository of all cards. The program can be accessed through the website as well as the call center. This website can search for as many as five medications at one time and asks you to answer some easy questions and you can find out in seconds if you qualify. You are then instructed to fill out the applications on line, print them and take them to your physician to complete and sign.

George Manahan of the Manahan Group, who is the Outreach Coordinator for the RxforWV website spoke next about what outreach efforts have been taken thus far. Part of the legislative intent was to promote this website to as many people as possible. They've done this through the hiring of 21 summer interns who went to senior centers, libraries, anywhere people might need help. Since April they've been at 150 events throughout the state and at many of these events, media coverage was provided. The pharmacy industry is using West Virginia's success as a model for other states.

Mr. Manahan indicated that 75% of contacts are being connected through the call center. As of last Thursday (August 19, 2004), a total of 41,330 people have contacted RxforWV either through the call center or through the website and 21,039 (50%) of these contacts have been matched with a program. A total of 28,872 contacts have been made through the call center and 14,920 (52%) of these were matched with a program. The remaining 12,458 contacts were received through the website and of this number, 6,119 (49%) have been matched with a program. Mr. Manahan indicated that these contacts are not counted unless they are matched with a program.

Mr. Manahan then showed a brief videotape of doctors, healthcare providers and patients who have used the website with much success. A copy of this videotape was provided to the Council. Copies of their Third Report to the Joint Committee on Government and Finance were also left for Council members.

Ms. Phares then introduced Scott Brown, Pharmacy Director, New River Health Association, who gave a presentation on the 340b Program, which was created in 1992 by PHS section 340b and allows eligible entities (Federally Qualified Health Centers [FQHC's], DSH hospitals and other federal grantees, which may include family planning clinics, health care for the homeless grantees, AIDS clinics and public housing health grantees) to purchase drugs at significantly reduced prices and pass the savings on to patients and agencies. He stated that only patients of a covered entity receive 340b drugs. Of the 34 FQHC's, only 15 are actively participating in the program. On the average, nationally, 340b prices are 51% lower than the Average Wholesale Price (AWP), 19% lower than the Medicaid net price, 20% lower than Canadian drug prices and 5% lower than FSS. Hopes are to have more than 40 FQHC's enrolled by 2005. Free clinics in Wheeling and Charleston (Health Right) dispensed more than \$40M in free drugs in 2003 and New River Health Association has passed along \$2 million in discounts to their patients through the 340b Program.

Ms. Phares then introduced Gaylene Miller who gave a presentation on the Medicare Drug Discount Cards. Ms. Miller is a past Commissioner of the Bureau of Senior Services and now holds the position of Associate State Director with the AARP/West Virginia State Office. Ms. Miller explained that this program is voluntary and no one has to sign up. The program will provide access to discounts, and up to a \$600 credit annually for low income participants who don't have other coverage. You are eligible if you are entitled to or enrolled in Part A or Part B Medicare and you are not receiving Medicaid outpatient prescription drug coverage at the time of enrollment.

Participants can enroll in only one approved card at a time, and may enroll in only one card during a year, but they may change cards during the coordinated election period (November 15 through December 31, 2004). Participants can join now, but must stay with the card they choose for the rest of this calendar year. Exceptions to this rule are if: you move to another state where your card isn't offered, you enter or leave a long-term care facility, you leave or join a Medicare managed care plan, or a private company stops offering the card. Each card company sets their annual enrollment fee, but you won't pay more than \$30 and this fee must be paid each year regardless of when you enroll. If certain criteria are met participants may qualify for additional help if they meet the income requirements. Ms. Miller also advised of potential fraudulent activities by telemarketers. She advised seniors to never give out their bank account or credit card numbers nor should they give out their Medicare or Social Security numbers.

Ms. Phares then introduced both Delegate Don Perdue and Delegate Linda Sumner who both gave a few brief remarks to the audience.

That brought to a conclusion the first part of the program. A sign-in sheet was provided for those wishing to speak at the public hearing. Bill Davis, State President of West Virginia's AARP was the first speaker. Mr. Davis says that AARP shares the frustration of the Council and West Virginia about the high prices of prescriptions and he's very glad that the Pharmaceutical Availability and Affordability Act of 2004 passed the West Virginia State Legislature. He says AARP support the Council's effort to find ways to create a more balanced market and AARP has identified these approaches as offering the most promise: evidence-based research; bulk purchasing; multi-agency preferred drug lists; prior authorization and market fairness. He states that the Council has worked hard to arrive at these recommendations; the time for action is now and their organization stands ready to assist and serve as a resource.

The next and final speaker was Patty Johnston who is the President of the West Virginia Pharmacists Association. Ms. Johnston stated that she was very pleased that the Council passed a resolution supporting the "collaborative practice" legislation and that she respected the work of the Council and their efforts to bring some control to the prices of prescription drugs and while the low prices of products in the 340b program make this an attractive proposal, this luxury is not available to community retail pharmacies and she encouraged the Council to proceed cautiously should they decide to make the 340b prices the "reference prices" referred to in House Bill 4084. She also urged the Council to closely examine the dispensing fee to be employed with the implementation of any 340b initiative. Ms. Johnston stated that pharmacists play a vital role in the delivery of health care in West Virginia; they see patients five times more frequently than other health professionals, but they must be able to stay in business to provide services to the citizens in our state.

Ms. Phares thanked those present for attending and announced that the Council would be meeting tomorrow from 9:00 a.m. - 12:00 p.m. with Subcommittees meeting from 1:00 - 3:00 p.m. at Glade Springs.

Public Hearing was adjourned.